

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of	)	
	)	
Rules and Regulations Implementing	)	CG Docket No. 02-386
Minimum Customer Account Record	)	
Exchange Obligations on All Local	)	
and Interexchange Carriers	)	

**REPLY COMMENTS OF THE  
NEW JERSEY DIVISION OF THE RATEPAYER ADVOCATE**

TO THE COMMISSION:

The New Jersey Division of the Ratepayer Advocate (“Ratepayer Advocate”) herein submits these Reply Comments in the above-captioned proceeding. The Ratepayer Advocate is an independent New Jersey State agency that represents and protects the interests of all utility consumers, including residential, business, commercial, and industrial entities. The Ratepayer Advocate participates in proceedings of the New Jersey Board of Public Utilities (“NJ-BPU”) but is not subject to the control or supervision of the NJ-BPU, and exercises its litigation and appeal functions accordingly.<sup>1</sup> In addition to State matters, the Ratepayer Advocate is active in relevant Federal administrative and judicial proceedings. The Ratepayer Advocate participates in rulemaking, ratemaking, and other proceedings of general applicability that affect the State’s ratepayers. In certain instances, the Ratepayer Advocate participates actively in proceedings involving only private parties if resolution of that proceeding will have a prospective effect of general applicability. Additionally, in certain other instances, the Ratepayer Advocate

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<sup>1</sup>/ New Jersey Reorganization Plan 001-1994, codified at N.J.S.A. 13:1D-1, et seq.

participates if, notwithstanding the absence of prospective regulatory effect, the issue is one of significance to the State's ratepayers.

The instant proceeding contemplates easing the transition of customers among providers of competitive telecommunications services. The Ratepayer Advocate supports the customer benefits that will be realized through the introduction and expansion of competition in the telecommunications market. Competition should result in lower prices, greater consumer choices, and more rapid technological innovation and deployment. The proliferation of competitive providers, however, can lead to customer confusion and carrier error when subscribers select new providers. Although the Ratepayer Advocate does not always participate in disputes between carriers and customers (that responsibility resides within the NJ-BPU), it is informed of those proceedings. Additionally, the Ratepayer Advocate is often the first party that customers call to assist in resolution of a problem; staff often provides informal mediation services for consumers, and is often successful in achieving results that are mutually satisfactory and beneficial to both the carrier and the consumer, without the need to initiate a formal complaint process.

Many of the complaints that are brought before the Ratepayer Advocate involve billing disputes related to services that the customer believes have either not been subscribed to, or which are thought to have been cancelled or switched to another carrier. The Ratepayer Advocate submits that formalization and codification of CARE regulations would eliminate the underlying causes of many of these complaints, specifically, the improper or lack of exchange among carriers of critical customer information. As a party to NJ-BPU proceedings, the

Ratepayer Advocate reviews and submits formal recommendations upon virtually every application for competitive local exchange carrier (“CLEC”) authority and approval of interconnection and resale agreements. Therefore, the Ratepayer Advocate can testify to the emergence of a great number of competitive telecommunications carriers, some of which focus nearly exclusively on business markets and others of which provide competitive options to residential customers. It is telling that Sprint, MCI, and AT&T, major IXC who also provide local service, are the authors of the joint petition that gave rise to the instant NPRM and support a mandatory industry standard for CARE. The comments submitted in this proceeding indicate that a range of industry participants, including Bell operating companies (BOCs),<sup>2</sup> CLECs,<sup>3</sup> and entities that provide services to carriers,<sup>4</sup> join the joint petitioners in calling for CARE requirements. The broad representation of industry participants who support mandatory CARE regulations illustrates the popular expectation that a common and required format for the sharing of information is mutually beneficial for the entire industry. The Ratepayer Advocate submits that benefits will accrue not only to carriers, but to their subscribers, as well. A reduction in errors or mis-communications should encourage more “problem free” shopping by consumers, which should in-turn continue to promote the emergence of competition. The Ratepayer

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<sup>2</sup>/ See Comments of BellSouth, at 1; Comments of Verizon, at 2; and Comments of SBC, at 4.

<sup>3</sup>/ See Comments of Time Warner Telecom, Inc.

<sup>4</sup>/ See Comments of Intrado, at 3; Comments of Telecordia.

Advocate submits that it is rare for the industry to join hands and promote a regulatory program, and even rarer when that program augurs easily discernible consumer benefits.

The Ratepayer Advocate notes and responds to the comments of USTA, which opposes CARE, stating, in part, that “consumer needs are better satisfied through free markets, rather than increased regulation.”<sup>5</sup> While the Ratepayer Advocate agrees generally that market forces can be a substitute for regulation in some instances, the problems that CARE proposals address largely do not concern intentional malfeasance – rather, the Ratepayer Advocate submits that the failure to communicate appropriately accurate information is not necessarily related to intended malfeasance of carriers. Market-place incentives to provide accurate information, even in a fully competitive market, might simply not be strong enough to encourage wide-spread provision of accurate information by carriers. The cost to carriers of providing incorrect information may not be great enough to encourage the action intended to prevent it, and consumers, who suffer the inconvenience, are powerless to preempt the errors.

The Ratepayer Advocate, however, notes the comments of, *inter alia*, the Texas Statewide Telephone Cooperative, Inc., and the National Telecommunications Cooperative Association, who claim that CARE requirements are not wholly applicable to rural carriers. The Ratepayer Advocate submits that, where appropriate, carve-out exemptions from requirements

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<sup>5</sup>/ Comments of USTA at 3.

would not be inconsistent with the goal of CARE if consumer protection, either through other safeguards or historic performance, can be demonstrated adequately.

In conclusion, the Ratepayer Advocate supports regulatory requirements as needed in lieu of reliance on market forces in order to protect consumer interests, and accordingly supports the promulgation of CARE requirements.

Respectfully submitted,

SEEMA M. SINGH, ESQ.  
RATEPAYER ADVOCATE

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